



## ACCOUNTING, FINANCIAL AND BUSINESS COMPLAINTS AND CONCERNS

### POLICY:

It is the policy of Command Security Corporation (the “Company”) to observe high ethical standards in all of its activities. In matters of accounting and auditing in particular the Company seeks to ensure that all transactions and corporate assets are properly accounted for and that all audits are thorough and complete. It is also important to the Company that it maintains the confidence of employees, stockholders, customers, vendors and the public in the quality of the Company’s accounting and public reporting. The Company places a high priority on the business of the Company being conducted in compliance with all state, federal and foreign laws governing its operations, and consistent with the highest ethical standards. In order to help accomplish these objectives, the Company is establishing a procedure for the reporting and delivery of complaints and concerns about accounting, auditing, financial and other matters related to the conduct of business, such as business relationships with vendors, customers and government officials (collectively “business complaints”). Business complaints include not only those activities that could involve the Company in an improper practice or violation of law, but also those that have even the appearance of impropriety; however, business complaints do not include personnel complaints. Personnel complaints are those concerns that are related to employment at the Company, including matters related to occupational safety and health, promotions, age, sex or race discrimination or harassment. Personnel complaints should be reported as set forth in the Company’s Employee Handbook.

Under the Sarbanes-Oxley Act of 2002 (the “Act”), the Audit Committee of the Board of Directors is responsible for establishing procedures for:

- The receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- The confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

This includes any circumstances where it is believed that fraud or other irregularities may be occurring within the Company.

The procedures detailed below relate to the submission of business complaints to the Company. Any persons wishing to report such business complaints can be assured the situation will be handled with the highest level of anonymity and confidentiality. In addition, there is a high level of protection granted under the Act to persons reporting such incidents. The Act states that an employer may not discharge, harass or in any manner discriminate against any individual providing such information.

## PROCEDURES:

In order to fulfill its obligations under the Act, the Audit Committee has adopted the following procedures for employees of the Company desiring to submit confidential or anonymous business complaints.

1. Any employee may submit a business complaint by following the procedures set forth in this Policy Statement.
  - a. Business complaints may be made by any of the following methods:
    - e-mail to the Chief Financial Officer, N. Paul Brost at:  
[PBrost@commandsecurity.com](mailto:PBrost@commandsecurity.com)
    - by letter addressed to the Chairman of the Audit Committee:  
Business Complaints  
Command Security Corporation  
512 Herndon Parkway, Suite A  
Herndon, VA 20170
  - b. Any person registering a business complaint is encouraged to provide as much detail as possible regarding the subject matter of the complaint, as the ability to investigate and to rectify any problem will depend largely on the quality and specificity of the information provided in the complaint.
  - c. The employee communicating a business complaint need not identify himself or herself. If the business complaint is made anonymously, the Company will not make any special effort to identify the employee making the communication. All business complaints submitted by employees will be treated confidentially. If the employee communicating the business complaint identifies himself or herself to the Company, the Company will not disclose his or her identity without the employee's permission or unless otherwise required by law or court order to do so. Information contained in employee business complaints may be summarized, abstracted and aggregated for purposes of analysis and investigation.
2. The Audit Committee directs executive officers, and other employees authorized to speak with investors and members of the public on behalf of the Company, who receive questions from regulators, investors, analysts and others who evaluate or follow the Company's financial condition and results of operations to promptly report to the In-House Counsel of the Company any business complaints made to them, without regard to the officer's or employee's belief regarding the validity or materiality of the subject matter of the business complaint.
3. All records of business complaints received by the Company will be preserved for a period of five years.
  - a. The Company's In-House Counsel will have custody of the records of business complaints.

- b. After the five-year retention period, the records of business complaints may be disposed of in accordance with Company policy.
- c. Any information developed in the course of responding to a business complaint will be handled as the Company deems appropriate.

### **REPORTING:**

At each meeting of the Audit Committee, the Chief Financial Officer or a designee will report on the nature of all business complaints received since the prior Audit Committee meeting.

1. The Chief Financial Officer of the Company or a designee will be responsible for reviewing all business complaints submitted from any source.
2. The Chief Financial Officer or a designee will make a presentation at each regular meeting of the Audit Committee regarding the business complaints received since the last report on such matters.
3. If the Chief Financial Officer has received or been notified of a business complaint and determines it may require evaluation by the Audit Committee prior to the next regularly scheduled meeting, the Chief Financial Officer or a designee shall contact the chairperson of the Audit Committee so that the chairperson may decide whether an earlier evaluation is warranted.

### **INVESTIGATION:**

The Audit Committee will take such steps as it deems appropriate to investigate any business complaint and, as relevant, to propose to the Company's management or Board of Directors, as it deems appropriate, a solution to rectify any deficiency or error properly identified in such business complaint, and in so doing the Audit Committee may, as contemplated by the Charter of the Audit Committee, retain advisors to assist it in carrying out any such investigation and proposing any solution.

### **IMPLEMENTATION:**

The Audit Committee is responsible for the implementation of this Policy and the provisions outlined herein. It may interpret the Policy and make judgments about the application of the procedures. It may request reports from Company executives about the implementation of this policy and take any other steps in connection with that implementation as it deems necessary. It may amend this Policy in its discretion.

### **DISPLAY:**



The “Policy” paragraph and paragraph I of the “Procedures” will be displayed at an appropriate location at the Company so that employees are advised of the procedures for bringing a business complaint to the attention of the Audit Committee.

## **Policy to Be Posted on Command Security Website**

### **Reporting Questionable Practices**

You may notify the Audit Committee of Command Security Corporation’s Board of Directors of any concerns regarding accounting, internal accounting controls, auditing, financial or other matters related to the conduct of business at Command Security Corporation by any of the following methods:

- e-mail to the Chief Financial Officer, N. Paul Brost at: [PBrost@commandsecurity.com](mailto:PBrost@commandsecurity.com)
- by letter addressed to the Chairman of the Audit Committee:  
Business Complaints  
Command Security Corporation  
512 Herndon Parkway, Suite A  
Herndon, VA 20170

You may report your concerns anonymously and confidentially. However, the Audit Committee encourages you to supply contact information with your submission to facilitate follow-up, clarification, and assistance with any investigation, if necessary.